

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DANA COX BERLINER)	
)	
COMPLAINANT)	
)	
v.)	CASE NO. 94-080
)	
THE UNION LIGHT, HEAT AND POWER)	
COMPANY)	
)	
DEFENDANT)	

O R D E R

On February 25, 1994, Dana Cox Berliner ("Berliner") filed a complaint against The Union Light, Heat and Power Company ("ULH&P") alleging she had been improperly billed for electric service. By Order of March 9, 1994, the Commission directed ULH&P to either satisfy the matter presented in the complaint or file a written answer within 10 days of the date of the Order. On motion of ULH&P, the due date for complying with the Order was extended to March 31, 1994. On that date, ULH&P filed an answer denying any impropriety in its billing of Berliner. A hearing was held on the complaint before the Commission on May 19, 1994. At the hearing Berliner appeared on her own behalf and ULH&P was represented by counsel.

FINDINGS OF FACT

ULH&P is a corporation that owns, controls, and operates facilities used in the transmission and distribution of electricity

to the public for compensation. Its principal offices are in Covington, Kentucky. Berliner resides at 528 Garrard Street, Covington, Kentucky and is a customer of ULH&P. On November 23, 1993, ULH&P sent Berliner an electric bill for \$699.57. The amount billed represented current service from October 12, 1993 to November 10, 1993 of \$49.78, and an adjustment of \$649.79 for underbilling for the period of June 14, 1993 to October 12, 1993. The underbilling resulted from ULH&P's computer errors.

Berliner first became a customer of ULH&P at her present address on May 29, 1993, and received her first bill sometime in June. The electric bill was \$4.14 for the 16 day period ending June 14, 1993, when the Berliner meter was first scheduled to be read. However, ULH&P's meter-reader was not able to gain access to the meter and the bill was based upon an estimate of Berliner's usage. Because it was Berliner's first and only bill, the estimate upon which it was based was used by the computer as the basis against which all future bills were compared as a check on the accuracy of the meter readings. This practice continued through October 12, 1993, the period of underbilling.

Berliner's meter was first read on July 14, 1993, and the meter recorded a usage of 3,383 kilowatt hours ("KWH"). In comparison, the usage estimated for the period ending June 14, 1993 was 35 KWH. Because of the large disparity, ULH&P's computer rejected the reading and estimated the usage based on the amount charged for the previous billing period. Notice of this procedure

was given to Berliner in the electric bill which contained the following language:

"We estimated your electric meter reading because the reading we obtained seemed out of line. We will adjust any difference when we obtain your next scheduled meter reading."

This same practice continued through each successive billing period up to and including the billing period ending October 12, 1993. However, because these estimates were based on the original estimate of 35 KWH, Berliner's usage during the period was severely understated. Hence, she was not billed for all the electricity she actually used over the course of the period resulting in the adjustment ULH&P now seeks to collect.

On November 23, 1993, ULH&P prepared a new bill for the billing period of October 12, 1993 through November 10, 1993. It was during that billing period that ULH&P discovered it underestimated the usage for all prior periods and made the adjustment, which is the basis for Berliner's complaint.

Apparently, the computer error which resulted in Berliner's underbilling was not an isolated incident. ULH&P had only recently begun using the computer program that caused the problem and had received many complaints. As a new customer at this address, Berliner had no reason to know that the estimated billings were inaccurate. However, the extremely low summer billings for an airconditioned apartment should have raised a suspicion. The error was not discovered by ULH&P until long after the substantial underbilling had accrued. However, Berliner immediately contacted

ULH&P when she received the November bill which included revised billings for each prior period.

In discussing the matter with ULH&P's representatives, Berliner was initially advised the bill was probably the result of an error and the company would investigate. ULH&P also suggested by way of explanation that her meter might be recording electricity consumed by another tenant. A comparison of the usage of two other apartments with Berliner's electric usage during the period in question provides some support for that supposition. However, the representatives from ULH&P who inspected Berliner's meter and electric panel could find no evidence that electricity passing through her meter was going any where other than to her apartment. On the contrary, during the course of the inspection of the service by ULH&P employees, the main breaker to the Berliner apartment was disconnected and it was observed that the meter stopped. If electricity had been flowing from the meter to another apartment, the meter would have continued to run when the breaker was disconnected.

It was also suggested that the electric meter itself might be defective. For this reason, the meter was tested. The test was conducted by one of ULH&P's employees at the Berliner premises. According to the test, the accuracy of the meter was within the parameters allowed by this Commission.

CONCLUSIONS OF LAW

ULH&P is a utility subject to the regulation of this Commission. As a public utility it is required by KRS 278.170 to

charge uniform rates for its services. It may not discriminate in favor of one customer over another. Although Berliner's underbilling was the result of ULH&P's error, ULH&P is required by the statute to charge Berliner for all the electricity she received. Therefore, the complaint should be dismissed and ULH&P directed to establish a payment plan in accordance with its published tariff that will allow Berliner a reasonable length of time to pay the underbilling.

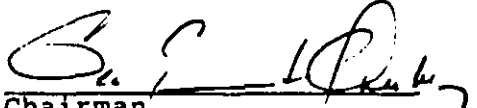
IT IS THEREFORE ORDERED that:

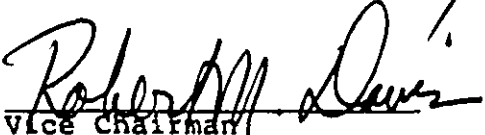
1. The complaint of Dana Cox Berliner against ULH&P be and is hereby dismissed.

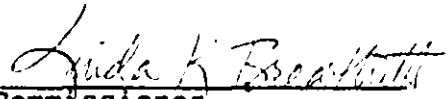
2. ULH&P shall establish a payment plan in accordance with its published tariff which will allow Berliner to pay the underbilling which resulted from ULH&P's computer error.

Done at Frankfort, Kentucky, this 14th day of September, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director